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ILLINOIS COMMERCE COMMISSION

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

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Cargill Industrial Oils

-vs-

Peoples Gas Light and Coke Company

Complaint as to a re-bill to a defective
meter in Chicago, Illinois.

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06-0501

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RESPONDENT'S PREHEARING STATEMENT

INTRODUCTION

On July 2, 2006, Complainant, Cargill Industrial Oils, filed a complaint in which it alleged that Respondent, The Peoples Gas Light and Coke Company, re-billed Complainant because Respondent's meter serving the Complainant "had a faulty gear drive which was mis-aligned with the instrument drive gear." The complaint stated that the Respondent discovered the problem in November 2005 and in December 2005 re-billed Complainant for the period of November 2003 and April 2005 \$200,189.25 for gas and \$60,245.76 in transportation charges.

Complainant contests Respondent's re-billing contending that the re-billed gas charged does not accurately reflect Complainant's usage.

RESPONDENT'S POSITION

It is Respondent's position that for the billing period in question Complainant's instrument was only recording half its actual usage. Accordingly, this case concern primarily a billing error which Respondent investigated, corrected and re-billed for a time period allowed by the Commission's rules.

In sum, Respondent's personnel found that only one of the two tines from the meter's dog gear was catching the instrument dog gear, producing half counts. The instrument drive index read half of what the veeder index (internal read out that is driven by the meter) showed.

Respondent used the meter's veeder reading and manually calculated the temperature and pressure factor, which in effect doubled the electronic corrector reading in order to develop Complainant's re-bill.

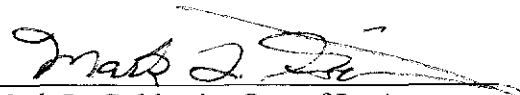
On August 11, 2005, Respondent performed a proof test of the meter and verified the meter readings. On October 12, 2005, Complainant was provided the corrected bills for the period of November 2003 to April 2005 along with an explanation of the meter corrector error and re-bill.

The only issued raised by the Complainant is the methodology used by Respondent to calculate the re-bill. There are no Commission rules which address the calculation methods involving the meter's veeder and other instruments. Respondent used industrial standards consistent with natural gas industry and manufacturer instructions to determine that the gas meter was recording half of Complainant's gas usage.

CONCLUSION

It is Respondent's position that it was proper to re-bill Complainant based upon the fact that for the period of November 2003 to April 2005, Complainant's gas meter was only recording half of Complainant's gas usage. Attached hereto as Exhibit A is a monthly breakdown of gas charges re-billed to the Complainant.

Respectfully submitted,
The Peoples Gas Light and Coke Company

By: 
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CERTIFICATE OF SERVICE


I hereby certify that on November 13, 2006, I served a copy of Respondent's Prehearing Statement by causing a copy of same to be placed in the U.S. Mail, first class postage affixed, addressed to each of the parties indicated below in the captioned matter:

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